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FILE ONLY

Casey Says NBC Violated Law in Spy Suspect Report

By DON SHANNON, *Times Staff Writer*

WASHINGTON—CIA Director William J. Casey charged Monday that an NBC report on intelligence activities by accused spy Ronald W. Pelton violated federal laws prohibiting the disclosure of classified information.

Casey, acting on the network's report that Pelton may have divulged to the Soviet Union information about electronic eavesdropping techniques by U.S. submarines, said he was referring the NBC case to the Justice Department for possible prosecution.

The CIA director's charges were made as the espionage trial for Pelton, a former National Security Agency employee who is accused of selling government secrets to the Soviets, began in federal court in Baltimore.

Sensitive Secret

According to NBC, Pelton apparently gave away one of NSA's most sensitive secrets, a project code-named "Ivy Bells," which reportedly was an eavesdropping operation conducted by U.S. submarines in Soviet harbors.

"We believe that the assertions, if true, made by James Polk on the NBC 'Today Show' this morning violate the prohibitions . . . against publishing any classified information concerning the communications intelligence activities of the United States," Casey said in a statement Monday.

"My statutory obligation to protect intelligence sources and methods requires me to refer this matter

to the Department of Justice," he said. The Justice Department had no comment.

Casey recently was reported to have said that the Administration is considering criminal prosecution of five news organizations for disclosing information about U.S. intelligence operations. NBC, however, was not among them.

At that time, the Washington Post—listed as one of the five news organizations for its stories about intercepted cables between Tripoli and the Libyan embassy in East Berlin—reported that Casey had warned the newspaper that prosecution would "have to be considered" again if it were to publish an undisclosed story that reportedly dealt with matters similar to those broadcast by NBC Monday morning.

Jury selection in Pelton's trial will continue today. A 14-year employee of the National Intelligence Agency at Ft. Meade, Md., Pelton is charged with six counts, each of which carries a potential life sentence.

One of the six counts charges that the 44-year-old communications specialist conspired to pass defense secrets to Soviet agents in the United States and in Vienna, Austria, between 1980 and 1985. Four counts allege specific instances of such transfers and the sixth count charges transmission of information about secret U.S. communications systems to an unauthorized person.